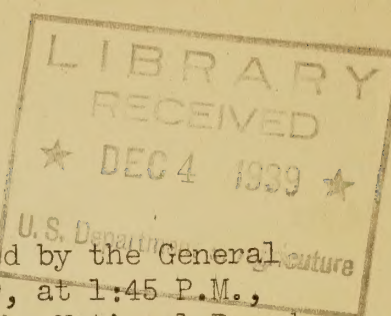


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ON THE CONSUMER FRONT



This is an excerpt from a radio program presented by the General Federation of Women's Clubs on November 10, 1939, at 1:45 P.M., Eastern Standard Time, over the Red Network of the National Broadcasting Company, Washington, D. C. In it, Bryson Rash asks Donald E. Montgomery what's been happening recently to prices of consumers' goods. Mr. Montgomery is Consumers' Counsel of the Agricultural Adjustment Administration, Department of Agriculture, Washington, D. C. The program, prepared by the Consumers' Counsel Division of the AAA, is presented each Friday at this time.

RASH: And now, Mr. Montgomery, let's move the mike over your way. As Consumers' Counsel of the Department of Agriculture, I suppose you've been keeping tabs on turkey supplies. Is that right?

MONTGOMERY: You're right, Bryson, and here's the good news. Latest count shows we're going to have a bumper crop of turkeys.

RASH: That is good news for consumers.

MONTGOMERY: Yes, about 32 million turkeys will come to market this year.

JIMMY: Oh, boy!

RASH: Sounds as if there'd be enough to celebrate both Thanksgivings.

MONTGOMERY: Not to forget Christmas and the rest of the year, Bryson.

RASH: Are there more turkeys this year than last, Mr. Montgomery?

MONTGOMERY: Uh, huh. About 6 million more.

RASH: Does that mean they'll be cheaper?

MONTGOMERY: Well, at the beginning of this month, they were selling to consumers in New York for about 2 cents a pound less than last year.

RASH: That's hopeful. What's the state of the cranberry supply? Any danger there won't be enough to go around?

MONTGOMERY: Not a bit, Bryson. There's a bumper crop of cranberries, too.

JIMMY: Bring'em on, boys. That's what I say!

RASH: What's the latest on food costs, Mr. Montgomery?

MONTGOMERY: You mean, in general?

RASH: Yes.

MONTGOMERY: Well, the staple foods are just a trifle cheaper than last week.

RASH: Is sugar still coming down?

MONTGOMERY: Very slowly Bryson. In the report I have on a number of big cities, it shows that sugar is selling for about a third of a cent less for a pound. Lard is a little cheaper, too. And navy beans. Pork chops 1/2 cent.

RASH: Butter and eggs still going up?

MONTGOMERY: Yes, but just about the amount they usually do, considering the time of year this is.

RASH: Mr. Montgomery, skipping on to some other things consumers buy, a few minutes ago Jimmy was saying there are two ways goods can cost more. One is to raise the price. The other is to give you less for your money.

MONTGOMERY: That's right.



RASH: Do you know about any products where they are thinking of reducing the quality, instead of raising the price?

MONTGOMERY: I know of some reported by the trade. Of course, I can't vouch for their accuracy.

RASH: Can you give us an example of the way quality is cut?

MONTGOMERY: Well, now, here's a report on silk stockings. It says that many manufacturers are trying to avoid having to raise prices by combining some rayon or lisle threads.

RASH: How would they do that?

MONTGOMERY: Why, by making the top of the stocking of rayon or lisle. And some manufacturers are said to be experimenting with twisting other yarns with silk in the leg of the stocking.

RASH: Will the labels on such stockings tell how much rayon or cotton is mixed in with the silk?

MONTGOMERY: Well, of course, that remains to be seen.

RASH: I suppose most manufacturers would rather not have to make substitutions like this in silk stockings.

MONTGOMERY: I'm sure you're right, Bryson. You see, the trouble is when raw materials cost more, that makes the finished article cost more. But if consumers don't have any more money to spend or just won't pay higher prices, the manufacturers are up against it. If they're going to protect their profits, they have to sell lower quality goods or else find some cheaper way of doing business.

RASH: Cheaper way of doing business? For example.

MONTGOMERY: Well, here's an example. The big milk companies are now beginning to market milk in two-quart containers as well as in the one-quart bottles.

RASH: And that cuts their costs?

MONTGOMERY: Yes, it does.

RASH: And do consumers get the benefit?

MONTGOMERY: They certainly should, and the new price announced on 2-quart containers means a saving of a cent-and-a-half a quart.

RASH: Are there any other companies doing things like that so they won't have to raise prices?

MONTGOMERY: I can't give you other examples right now. But we're on the look-out for them all the time. As a matter of fact we found small milk companies using these cost-saving methods two years ago, and talked about it, too. Now at last some of the major companies are taking it up.

RASH: Good. Well, maybe next week you'll have some more news along this line for us, Mr. Montgomery.

Consumers, you have been listening to Consumer Time On The Air. A program arranged for you by the General Federation of Women's Clubs.



Would you, too, like to have a copy of the story on how the Federal Trade Commission works to get butter labels on goods for you? All you have to do is to drop a postcard to the Consumers' Counsel, Department of Agriculture, Washington, D. C. Ask them for their article on Writing Rules for Trade. It's free.

Until next Friday, at this same time, goodbye and good consuming.

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